



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

MEMORANDUM

To: Chairman Pringle and Authority Members **Date:** September 28, 2009

From: Mehdi Morshed, Executive Director

Subject: Agenda Item 5 – Request for Expressions of Interest –
Procurement/Prequalification's

Discussion

The purpose of this memo is to outline the approach to the next steps in the procurement of private partners who would provide services in connection with the planning, operation and development of the High Speed Train Project. The intent is to conduct another focused Request for Expressions of Interest (RFEI) process in the coming weeks as a precursor to a Request for Qualifications (RFQ) process.

Summary and Justification

The first step in the process will be the issuance of an RFEI to update industry interest in the project while focusing specifically on issues that will affect the next steps in the procurement process. The RFEI will be soliciting industry feedback on potential procurement approaches by asking the industry for comment on a short list of specific questions. Once the initial targeted questions are issued, the Authority will provide an overall project update at an industry workshop to open a direct dialogue with potential participants. Industry feedback is vital to insure a robust, efficient, competitive process.

Types of RFEI questions

The Authority will solicit industry comment on 5 to 10 key questions centered on the upcoming procurement process, providing a period of several weeks for interested firms to submit their written responses after questions have been distributed. Questions could include, but are not limited to the following:

- Please give us your opinion on the materials presented at the technical and financial workshops held earlier this year and posted on the website.
- What, in your opinion, is a reasonable timeframe to respond to an RFQ for a mega-P3 rail project?
- What key issues or concerns would you like to raise with regard to risk allocation related to your area of expertise?
- If you were selected as a pre-qualified bidder, would you be prepared to provide advice to the Authority on various project related matters, such as safety compliance and other regulatory issues?

Industry Workshop and Audience

The RFEI will be issued on the Authority's website as well as sending special notices to a list of firms that have previously expressed interest in the process. After the RFEI has been issued and responses received, the Authority will host an industry workshop for interested firms. At the workshop, the Authority staff and consultants will provide a brief update on the recently held technical and financial workshops. In addition, the industry would be given the opportunity to comment on the elements of the technical and financial program. The workshop would also provide an opportunity for firms to ask questions about the project publicly, and would help focus industry attention on the RFQ process.

Responses to Focused Questions and Workshop Feedback

The IMG Team will summarize RFEI responses and workshop feedback in a report to Authority staff and board members. Comments received in this step will be used to help guide the future procurement process as well as take the suggestions of the industry into account as the project development process moves forward.

Next Steps

With the approval of the board, Authority staff working with IMG, legal advisors, and the program management team will develop the RFEI over the next few weeks. The feedback gained through this RFEI process will be vital to the Authority as it begins to structure the procurement/ RFQ process in the coming months.

Recommendation

I recommend that the Executive Director be authorized to develop and issue a Request for Expressions of Interest for Procurement/Prequalifications.